



NEWS RELEASE

TOWN OF HERNDON PROPOSED FY 2022 BUDGET PRESENTED TO TOWN COUNCIL *Town Council to Hold Public Hearings on April 13 and April 27*

Herndon, VA (March 31, 2021) – Herndon Town Manager William H. Ashton II has proposed a Fiscal Year (FY) 2022 Budget of \$ 55,735,783, an 8.7 percent decrease from the adopted FY 2021 Budget. The town's FY 2022 begins July 1, 2021 and extends to June 30, 2022.

"The fiscal year we are now concluding has been, to put it succinctly, a year like no other," Ashton said. "The COVID-19 pandemic upended all aspects of daily life. Town services and programs were significantly impacted, as were revenues across the board.

"My proposed budget, therefore, reflects the austerity under which we are still operating," Ashton continued. "It focuses on core services – public works, public safety – as well as pandemic-related relief that is in the town's jurisdiction to provide. It anticipates an improving economy, but any recovery will likely be gradual. This budget outlines a prudent response to a fiscal crisis that is very much still with us."

Highlights of the proposed FY 2022 Budget include:

- Maintenance of all town taxes at their current levels, with no increases recommended;
- Selective allocation of federal and state grant-funded resources to capital projects, including construction of bus bays near the Metro stop, storm drainage improvements and Sugarland Run stream restoration;
- Allocation of resources to fund Town Council priorities, as outlined in their recent discussion of future initiatives; and
- No personnel layoffs and inclusion of an average pay-for-performance increase of three percent, following a year in which no salary increases were issued.

The proposed Capital Improvement Program (CIP) calls for funding of longer-term projects such as alignment of Center Street, Elden and Monroe Street intersection improvements, vehicular and pedestrian access to Metro and Van Buren Street improvements.

FY 2022 Proposed Budget "Facts-at-a-Glance" follow. The complete proposed budget is available online at www.herndon-va.gov/budget.

The Town Council will hold two public hearings on the budget: Tuesday, April 13, and Tuesday, April 27, both beginning at 7pm. All council meetings are held electronically and available for streaming at www.herndon-va.gov/meetings, where citizens may also register to provide comments to the council; or via Facebook Live at Facebook.com/Herndongov. Citizens may also submit comments about the budget online at www.herndon-va.gov/budget or send an email to budget@herndon-va.gov.

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FY 2022 PROPOSED BUDGET AT-A-GLANCE

The complete FY 2022 Proposed Budget is online at herndon-va.gov.

Total Budget Expenditures

\$ 55,735,783 for all funds (General Fund, Water and Sewer Fund, Golf Course Fund, Chestnut Grove Cemetery Fund, Downtown Parking Enterprise Fund and the Capital Projects Funds). The total reflects a decrease of 8.7 percent from the FY 2021 budget of \$ 61,060,754.

General Fund Recurring Budget Expenditures

FY 2022 General Fund recurring expenditures are \$34,178,612, a decrease of \$1,781,033, or 5.0 percent, over the FY 2021 recurring General Fund adopted budget expenditures of \$35,959,645. This includes personnel, operations and maintenance, debt service and minor capital (excludes transfers).

General Fund Total Expenditures

FY 2022 General Fund expenditures are \$35,304,587, which reflects a decrease of \$3,501,413 or 9.0 percent compared to the FY 2021 adopted budget of \$38,806,000.

Real Estate Tax

Remains at \$0.2650 per \$100 of assessed value.

One Penny on the Real Estate Tax Rate

Equivalent to approximately \$465,000 in tax revenues (includes assessed value of public service corporations and real property assessments).

Average Residential Property Value

Projected at \$431,214.

Average Residential Real Estate Tax Bill

\$1,142.72 based on \$0.2650 per \$100 assessed value.

Personal Property Tax Rate

Remains at \$0.00 per \$100 assessed value.

Meals Tax

Remains at 3.5 percent.

Cigarette Tax

Remains at 75 cents per pack.

Business Professional and Occupational License Tax

All classifications and thresholds remain at the current amounts.

Motor Vehicle License Fee

Remains at \$25 for private passenger and other vehicles weighing less than 4,000 lbs., and \$32 for vehicles weighing in excess of 4,000 lbs.

Consumer Utility Tax

Tax based on the purchase of utility services within the corporate limits of the town. The amount of the tax for residential consumers contains a monthly cap of \$3 per utility.

Sewer Service Rate

Increased from \$6.19 in FY 2021 to \$6.28 per 1,000 gallons of water consumption in FY 2022.

Sewer Availability Fee

Remains at \$10,800 in FY 2022 for new, single-family homes.

Sewer Lateral Repair and Replacement Program

Remains at \$2 per year (\$0.50 per quarter).

Water Service Rate

Increased from \$3.16 in FY 2021 to \$3.21 per 1,000 gallons of water consumption in FY 2022. Peak rate increased from \$5.38 in FY 2021 to \$5.46 in FY 2022. No change to the quarterly service charge which remains at \$8.97.

Water Availability Fee

Remains at \$7,800 in FY 2022 for new, single-family homes.

Recycling Fee

Remains in FY 2022 at \$64 per year (\$16 per quarter).

Personnel

Personnel costs for all funds total \$24,639,800, a decrease of \$1,220,651 when compared to FY 2021.